

REMARKS

The official action addressed claims 1-29. Claims 2, 3, 8, 9, 11, 17, 18, 24 and 25 are canceled. Claims 1, 4-5, 7, 10, 12-16, 19-23 and 25-29 are amended. Revised Figure 1 is also submitted. Reconsideration is requested in view of the amendments and the following remarks.

Claim Amendments

Independent claims 1, 16 and 23 are amended to explicitly recite that decisions are made as to whether the initial quote is governed by a contract, a market price program, or is for a requote, and steps taken in each of those instances. These features are found in Figure 1 and in the text of the application, for example at pages 4-6, and specifically in the second full paragraph of page 5.

Claims 16 and 19-22 are amended to recite a computer program stored on a computer readable medium in terms of processing performed by the computer program. These amendments eliminate the objected "code segment" language previously recited in these claims.

Claims 26-29 are amended to properly label the claimed subject matter as a system rather than a method, consistent with claim 23.

Claims 28 and 29 have been rewritten in separate form.

Further amendments made to respond specifically to various objections and rejections are addressed below.

No new matter is added.

Specification Amendments

Editorial errors in the specification have been amended.

The paragraph bridging pages 4 and 5 has been amended to clarify that the price used for comparison to a target price may come from a contract, market price program or pricing tables, as described later in the second full paragraph of page 5.

No new matter is added.

Drawing Objections

The drawing objections have been addressed through revisions to Figure 1 and revisions to the specification. New Figure 1 submitted herewith provides unobstructed text in box 16, eliminates box 32 of the original drawing and reroutes the process flow line from box 12 to box 26 (which was redundant of box 32), and provides revised text in boxes 12, 22, 24, 26, 28 and 34 consistent with the text of the specification. Figure 1 and the specification are now consistent in using the same language and reference numbers to describe the same processing tasks.

No new matter is added.

Specification Objections

The objected portion of the specification has been corrected. Additional editorial errors in the specification have also been corrected.

No new matter is added.

Claim Objections and Rejections Under §112

The claims have been amended to correct the objected portions noted in the official action.

The claims have been further amended to overcome the rejections under §112 as follows:

Claims 16 and 19-22: amended to remove references to a "code segment."

Claim 1: amended to provide antecedent basis for "price"

Claims 4-5, 7, 10, 13-15, 18-20, 22, 26-27, 29: amended to remove the language "the group consisting of."

No new matter is added.

Rejections Under §101

The rejection under §101 is traversed. The rejection is no longer applicable in view of the new Interim Guidelines for Examination of Patent Applications for Patent Subject Matter Eligibility issued by the PTO on 26 October 2005. The new Interim Guidelines were issued in view of the decision of the Board of Appeals in *Ex parte Lundgren*, in which the Board ruled that there is no "technological arts" test under §101. In view of that decision, pages 42-43 of the new Interim Guidelines now provide as follows:

ANNEX III
Improper Tests For Subject Matter Eligibility

As set forth in the patent eligible subject matter interim guidelines, a practical application of a 35 U.S.C. § 101 judicial exception is claimed if the claimed invention physically transforms an article or physical object to a different state or thing, or if the claimed invention otherwise produces a useful, concrete, and tangible result. Therefore the following tests are not to be applied by examiners in determining whether the claimed invention is patent eligible subject matter:

(A) "not in the technological arts" test

...

a. Technological Arts Test

United States patent law does not support the application of a "technical aspect" or "technological arts" requirement. Title 35 of the United States Code does not recite, explicitly or implicitly, that inventions must be within the "technological arts" to be patentable. Section 101 of Title 35 recites that "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor..." Accordingly, while an invention must be "new" and "useful," there is no statutory requirement that it fit within a category of "technological arts."

...

In *Ex parte Lundgren*, Appeal No. 2003-2088, Application 08/093,516, (Precedential BPAI opinion September 2005), the Board rejected the examiner's argument that Musgrave and Toma created a technological arts test. "We do not believe the court could have been any clearer in rejecting the theory the present examiner now advances

in this case.” Lundgren, at 8. The Board held that “there is currently no judicially recognized separate “technological arts” test to determine patent eligible subject matter under § 101.” Lundgren at 9.

USPTO personnel should no longer rely on the technological arts test to determine whether a claimed invention is directed to statutory subject matter. There is no other recognized exceptions to eligible subject matter other than laws of nature, natural phenomena, and abstract ideas.

In view of this change to the Guidelines, the technological arts test applied in the present application is no longer applicable and therefore the rejection should be withdrawn.

Applicants note the acknowledgement at page 5 of the official action that “the recited process produces a useful, concrete, and tangible result ...” Therefore it is believed that all claims comply fully with the requirements of §101.

Prior Art Rejections

Claims 1-5, 7-8, 11-14, 16-20, 22-27, and 29 were rejected under §102(b) as being anticipated by Reuhl (U.S. 5,873,069). Claims 6, 9-10, 21 and 28 were rejected under §103(a) as being obvious over Reuhl in view of Carter (U.S. 6,553,350). Claim 15 was rejected as being obvious over Reuhl in view of Carter and Pool (U.S. 6,460,020).

The claims as amended recite subject matter that is not found in the cited references. Each independent claim now recites processing as follows:

receiving an inquiry requesting a price of an item;

if the inquiry is governed by a contract, determining an initial price for the item in accordance with the contract;

if the inquiry is governed by a market price program, determining an initial price for the item in accordance with the market price program;

if the inquiry is for a requote, determining an initial price for the item equal to a previously quoted price;

if the inquiry is not governed by a contract or a market price program and is not for a requote, determining an initial price from a reference price table;

Processing of this type is not found in Reuhl, Carter or Pool. Reuhl discloses a system that sets retail prices based on competitor prices (see generally Reuhl Fig. 10 and corresponding text). Reuhl's process begins by seeking the lowest competitor price in the market (Fig. 10, 712), compares it to the vendor's own advertised price (714) and then adjusts the price accordingly. Reuhl does not receive an inquiry, and does not perform decisions as to whether the quote is governed by a contract, or a market price program, or is a request for a requote. The portions of Reuhl cited against dependent claims 3, 8 and 11 that related to the features quoted above are: col. 1, lines 6-10; col. 3, lines 41-48; and col. 3, line 61 - col. 4, line 6. These portions of Reuhl do not teach the consideration of whether an inquiry is governed by a contract, or by a market price program, or whether the inquiry is for a requote, and do not teach the resulting processing in the event of any of these determinations. Carter and Pool likewise do not teach these features, nor are the features taught when the references are considered together. Therefore it is submitted that all independent claims and their dependent claims are patentably distinguished over the cited combination of references.

The foregoing amendments and remarks address all bases for objection and rejection and are believed to place the case in condition for allowance. The examiner is invited to contact the undersigned to resolve any remaining issues.

Respectfully submitted,

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